10 November 2026

Subject — Notification of the resolutions of the Board of Directors' Meeting No. 4/2026 regarding the Conditional Assignment of Trade Accounts Receivable Agreement, which is a material transaction and a connected transaction, the appointment of the independent financial advisor, and the determination of the date of the Extraordinary General Meeting of Shareholders No. 1/2026

Attn — Director and Manager
The Stock Exchange of Thailand

Enclosure — Information Memorandum on the Material Transaction and Connected Transaction of Fine Metal Technologies Public Company Limited

Fine Metal Technologies Public Company Limited (the "**Company**" or "**FMT**") would like to disclose the resolutions of the Board of Directors' Meeting No. 4/2026, held on 10 November 2026, at which the meeting considered and resolved to approve the following significant matters:

1. Resolved to propose to the Extraordinary General Meeting of Shareholders No. 1/2026, to be held on 23 December 2026, to consider and approve the entry into a material transaction and a connected transaction, namely the provision of security to Golden Dragon Precise Copper Tube Group Inc. ("GD"), an indirect major shareholder of the Company, by way of a conditional assignment of the rights of claim in the Company's trade accounts receivable (Conditional Assignment of Trade Accounts Receivable or "**CAAR**") under a Conditional Assignment of Trade Accounts Receivable Agreement (the "**CAAR Agreement**") as security provided to GD in connection with the guarantee of GD, with no guarantee fee, of the Company's debt obligations under a credit facility agreement with a financial institution in a facility amount of CNY 240,000,000, with a drawn amount of CNY 230,000,000 as at 30 September 2026, with Bank of Communications Co., Ltd. Chongqing Branch ("**BOCOM**") (the "**Provision of Security**" or the "**Transaction**"), with the following details:

   Whereas, on 24 December 2025, Hong Kong GD Trading Company Limited ("**HKGDT**"), a wholly-owned subsidiary in which GD holds 100.00 percent of the shares, entered into a share purchase agreement with CTJ Holdings2, Ltd. to purchase 20,280,280 ordinary shares of the Company (representing 42.25 percent of the total paid-up and voting shares of the Company).

   At that time, the Company had revolving credit facilities and loans with Sumitomo Mitsui Banking Corporation (SMBC) and Mizuho Bank, Ltd. (Mizuho) (collectively, the "**Existing Financial Institutions**"). The Company's existing loan agreements with SMBC and Mizuho contained provisions relating to the shareholding proportions of the existing shareholders and/or changes in the major shareholders, and the transfer of shares under the said share purchase agreement could therefore have entitled the Existing Financial Institutions to terminate the agreements and request repayment of all outstanding loans. The Company accordingly needed to procure a new source of loan funding to support the repayment of the existing debt.

The said share purchase agreement therefore stipulated conditions precedent relating to the procurement of a new source of loan funding, under which the Company was required to enter into a credit facility agreement with a new financial institution and duly complete the procedures necessary for entering into such agreement, and a consensus was required to be reached in writing on the arrangement in connection with the repayment of the outstanding existing loans owed to the Existing Financial Institutions. In this regard, the Company entered into a credit facility agreement with the new financial institution, namely BOCOM, on 15 July 2026, and drew down loans under the new facility agreement to repay in full the outstanding existing loans owed to the Existing Financial Institutions on 6 August 2026.

In connection with its credit consideration, BOCOM agreed to provide financial support to the Company subject to the condition of a guarantee from GD, whereby GD has issued a Guarantee Letter to guarantee the Company's obligations under the new facility agreement, and will enter into a Definitive Guarantee Agreement with the new financial institution after completion of the share transfer. According to GD's written clarification, GD has obtained approval from the board of directors of GD for its entry into the Definitive Guarantee Agreement. In this regard, such approval was granted on the basis that the Company is required to establish a mechanism to protect GD's interests with a value equivalent to the risk exposure assumed by GD as guarantor, in the form of a conditional assignment of rights of claim in the Company's trade accounts receivable (CAAR).

The Board of Directors' Meeting held on 24 July 2026 resolved to approve the said protection mechanism in principle, which did not constitute a final approval for the Company to enter into the definitive CAAR Agreement, as the final terms and conditions of the transaction were still under negotiation at that time. The entry into the Transaction remains subject to review by the Audit Committee, formal approval by the Board of Directors, and approval by the shareholders' meeting in accordance with applicable laws and regulations prior to the entry into the Transaction.

In addition, the Company is considering alternatives for procuring loan funding from other financial institutions. If the Company is able to procure a source of loan funding on terms more favorable to the Company, the Company may consider applying such loan towards repayment of its loan owed to BOCOM, which is due on 30 July 2027, taking into account the relevant terms and conditions, costs and expenses, and, above all, the best interests of the Company. The Company is also in the process of obtaining the necessary consents from other financial institutions prior to the entry into the Transaction, in order to comply with the terms and conditions under the Company's other credit facility agreements.

Following the completion of the share transfer under the Share Purchase Agreement on 27 July 2026 and the tender offer for all securities of the Company during the period from 14 August to 17 September 2026, HKGDT holds a total of 20,280,280 shares in the Company, representing 42.25 percent of the total paid-up and voting shares of the Company. GD therefore has the status of a connected person of the Company in its capacity as an indirect major shareholder and controlling person.

The provision of security to GD by way of a CAAR is regarded as a connected transaction under the Notification of the Capital Market Supervisory Board No. TorJor. 46/2568 Re: Rules on Connected Transactions dated 19 December 2025 (the "Connected Transactions Notification"), in the category of provision of financial assistance to a connected person which is a juristic person in which the Company

is not a shareholder, with a total transaction value of THB 1,191.82 million, representing 84.01 percent of the net asset value of the Company (based on the Company's consolidated financial statements reviewed by the certified public accountant for the period ended 30 September 2026). [The Company [has no connected transactions with the same group of connected persons that occurred during the six months prior to the date on which the entry into the Transactions was agreed and that have not yet been approved by the shareholders' meeting]. The Transaction is therefore regarded as a connected transaction under the special case which requiring approval from the shareholders' meeting, as a result of which the Company is required to comply with the Connected Transactions Notification by undertaking the following:

1) Disclose the information memorandum regarding the entry into the Transaction to the Stock Exchange of Thailand in accordance with the prescribed rules;
2) Appoint an independent financial advisor ("**Independent Financial Advisor**" or the "**IFA**"), being a financial advisor on the list approved by the Securities and Exchange Commission (the "**SEC**"), to prepare an opinion of the independent financial advisor to support the shareholders' decision-making at the shareholders' meeting;
3) Deliver the notice of the shareholders' meeting, together with the supporting documents for the meeting and the report on the opinion of the Independent Financial Advisor, to shareholders not less than 14 days prior to the date of the shareholders' meeting; and
4) Convene a shareholders' meeting to consider and approve the entry into the Transaction, requiring a vote of not less than three-fourths of the total votes of the shareholders attending the meeting and entitled to vote, excluding the votes of interested shareholders, and, in the case where the Independent Financial Advisor or the Audit Committee is of the opinion that the Transaction should not be entered into, there must be no shareholders holding shares and entitled to vote casting votes against the Transactions of 10 percent or more of the total votes of the shareholders attending the meeting and entitled to vote, in order for the Company to be able to enter into the Transaction.

In addition, the provision of security to GD by way of a CAAR, is also regarded as a material transaction under the Notification of the Capital Market Supervisory Board No. TorJor. 45/2568 Re: Rules on Material Transactions dated 19 December 2025 (the "**Material Transactions Notification**"). Since the Company has recorded a net loss based on its cumulative operating results for the latest 12 quarters (the fourth quarter of 2023 to the third quarter of 2026) in the amount of THB (34.48) million, according to the Company's consolidated financial statements reviewed by the certified public accountant for the period ended 30 September 2026, and the transaction involves a transfer of the Company's rights or benefits, namely the conditional assignment of rights of claim in the Company's trade accounts receivable to GD, whereby, upon the occurrence of an event of default under the CAAR Agreement and GD's delivery of a notice of assignment of the rights of claim (Assignment Notice) to the Company, such rights of claim in the trade accounts receivable will be transferred to GD and the Company may be obliged to make up any shortfall in cash and from the proceeds of the sale of inventory, the Transaction is regarded as a material transaction under the special case pursuant to the Material Transactions Notification. The Transaction has the highest transaction size of 31.42 percent based on the total value of consideration criterion (based on the Company's consolidated financial statements reviewed by the certified public accountant for the period ended 30 September 2026). The Company has no material transactions that are related to one another or that fall under the same project, occurring during the 12 months prior to the date on which the entry into the Transaction was agreed, that have not yet been approved by the shareholders' meeting. As the highest calculated transaction size is equal to or

greater than 25.00 percent, the transaction is regarded as a material transaction under the special case, requiring approval from the shareholders' meeting, as a result of which the Company is required to comply with the Material Transactions Notification by undertaking the following:

1) Disclose the information memorandum regarding the entry into the Transaction to the Stock Exchange of Thailand in accordance with the prescribed rules;
2) Appoint an independent financial advisor ("**Independent Financial Advisor**" or "**IFA**"), being a financial advisor on the list approved by the SEC, to prepare an opinion of the IFA to support the shareholders' decision-making at the shareholders' meeting;
3) Deliver the notice of the shareholders' meeting, together with the supporting documents for the meeting and the report on the opinion of the IFA, to shareholders not less than 14 days prior to the date of the shareholders' meeting; and
4) Convene a shareholders' meeting to consider and approve the entry into the Transaction, requiring a vote of not less than three-fourths of the total votes of the shareholders attending the meeting and entitled to vote, excluding the votes of interested shareholders, and, in the case where the IFA or the Audit Committee is of the opinion that the Transaction should not be entered into, there must be no shareholders holding shares and entitled to vote casting votes against the Transaction of 10 percent or more of the total votes of the shareholders attending the meeting and entitled to vote, in order for the Company to be able to enter into the Transaction.

In this regard, the Company has appointed Jay Capital Advisory Limited as the Company's Independent Financial Advisor to prepare an opinion on the reasonableness of the Transaction, the risks or impacts, and the appropriateness of the price and conditions of the Transaction, for the benefit of the shareholders' proper consideration and voting at the shareholders' meeting.

The directors with interests in the Transaction, namely Mrs. Xiqian Song, Mr. Junichi Ishihara, Mr. Hideki Takayasu and Mr. Hiroshige Nose, being directors nominated by HKGDT and/or holding positions within the GD group, did not attend the meeting to consider, and did not cast votes on, this agenda item.

The Company intends to propose to the Extraordinary General Meeting of Shareholders No. 1/2026 the consideration and approval of the entry into the Transaction, and the consideration and approval of the delegation of authority to the Board of Directors and/or any person designated by the Board of Directors, in each case who is not an interested director, to undertake any actions relevant or necessary to the entry into the Transaction, including negotiating, determining conditions, entering into, signing, and amending the CAAR Agreement, and other related documents, as necessary and appropriate under the applicable laws, provided that any such amendment must not cause the Company to bear increased obligations or receive conditions inferior to those approved by the shareholders' meeting.

Please consider further details in the Information Memorandum on the Material Transaction and Connected Transaction of the Company as enclosed herewith.

2. Resolved to determine the date of the Extraordinary General Meeting of Shareholders No. 1/2026 to be held on Wednesday, 23 December 2026 at 13:30 Hrs. at Grand Hall Room, 28th Floor, Bangkok Club, Sathorn City Tower Building, No. 175 South Sathorn Road, Khwaeng Thung Mahamek, Khet Sathorn, Bangkok 10120, with the following agenda items:

Agenda Item 1	To consider and approve the Minutes of the 2026 Annual General Meeting of Shareholders No. 39/2026, held on Wednesday, 29 April 2026
Agenda Item 2	To consider and approve the entry into the Conditional Assignment of Trade Accounts Receivable Agreement with Golden Dragon Precise Copper Tube Group Inc., which is a material transaction and a connected transaction in the category of provision of financial assistance to a connected person which is a juristic person in which the Company is not a shareholder.
Agenda Item 3	To consider other matters (if any)

The Company has determined the names of the shareholders entitled to attend the Extraordinary General Meeting of Shareholders No. 1/2026 (Record Date) on 26 November 2026, and has authorized the Managing Director, Mrs. Xiqian Song, subject to applicable laws, to change the date, time, format, and venue of the said shareholders' meeting.

The Company will publish the notice of the Extraordinary General Meeting of Shareholders No. 1/2026 and the supporting documents for the meeting, together with the report on the opinion of the Independent Financial Advisor and the details of the procedures for attending the meeting, to shareholders via the Company's website at www.fmt.co.th and the website of the Stock Exchange of Thailand at www.set.or.th in due course.

Please be informed accordingly.

Yours sincerely,

(Mrs. Xiqian Song and Mr. Junichi Ishihara)
Director

Corporate Secretary Department, Tel. 036-329811-20 Ext. 201

Enclosure 1

Information Memorandum on the Material Transaction and Connected Transaction of Fine Metal Technologies Public Company Limited

The Board of Directors' Meeting of Fine Metal Technologies Public Company Limited (the "**Company**" or "**FMT**") No. 4/2026, held on 10 November 2026, resolved to approve the proposal to the Extraordinary General Meeting of Shareholders No. 1/2026, to be held on 23 December 2026, to consider and approve the entry into a material transaction and connected transactions, namely the provision of security to Golden Dragon Precise Copper Tube Group Inc. ("GD"), an indirect major shareholder of the Company, by way of a conditional assignment of the Company's rights of claim in the trade accounts receivable (Conditional Assignment of Trade Accounts Receivable or "**CAAR**") under a Conditional Assignment of Trade Accounts Receivable Agreement (the "**CAAR Agreement**") as security provided to GD in connection with the guarantee of GD, with no guarantee fee, of the Company's debt obligations under a credit facility agreement with a financial institution in a facility amount of CNY 240,000,000, with a drawn amount of CNY 230,000,000 as at 30 September 2026, with Bank of Communications Co., Ltd. Chongqing Branch ("BOCOM") (the "**Provision of Security**" or the "**Transaction**"). GD is an indirect major shareholder and controlling person of the Company through Hong Kong GD Trading Company Limited ("**HKGDT**"), which holds 42.25 percent of the total paid-up and voting shares of the Company, and the Company and GD have a common director.

The provision of security to GD by way of a conditional assignment of rights of claim in the Company's trade accounts receivable is regarded as a connected transaction under the Notification of the Capital Market Supervisory Board No. TorJor. 46/2568 Re: Rules on Connected Transactions dated 19 December 2025 (the "**Connected Transactions Notification**") in the category of provision of financial assistance to a connected person which is a juristic person in which the Company is not a shareholder, with a total transaction value of THB 1,191.82 million, representing 84.01 percent of the net asset value of the Company (based on the Company's consolidated financial statements reviewed by the certified public accountant for the period ended 30 September 2026). The Company [has no connected transactions with the same group of connected persons that occurred during the six months prior to the date on which the entry into the Transaction was agreed and that have not yet been approved by the shareholders' meeting]. The Transaction is therefore regarded as a connected transaction under the special case, requiring approval from the shareholders' meeting, as a result of which the Company is required to comply with the Connected Transactions Notification. Details of the calculation of the transaction size are set out in Clause 7.

In addition, the provision of security to GD by way of a CAAR, is also regarded as a material transaction under the Notification of the Capital Market Supervisory Board No. TorJor. 45/2568 Re: Rules on Material Transactions dated 19 December 2025 (the "**Material Transactions Notification**"). Since the Company has recorded a net loss based on its cumulative operating results for the latest 12 quarters (the fourth quarter of 2023 to the third quarter of 2026) in the amount of THB (34.48) million, according to the Company's consolidated financial statements reviewed by the certified public accountant for the period ended 30 September 2026, and the transaction involves a transfer of the Company's rights or benefits, namely the conditional assignment of rights of claim in the Company's trade accounts receivable to GD, whereby, upon the occurrence of an event of default under the CAAR Agreement and GD's delivery of a notice of assignment of the rights of claim (Assignment Notice) to the Company, such rights of claim in trade accounts receivable will be transferred to GD and the Company may be obliged to make up any shortfall in cash and from the proceeds of the sale of inventory, the transaction is regarded as a material transaction under the special case pursuant to the Material Transactions Notification. The transaction has the highest transaction size of 31.42

percent based on the total value of consideration criterion (based on the Company's consolidated financial statements reviewed by the certified public accountant for the period ended 30 September 2026), and [the Company has no material transactions that are related to one another or that fall under the same project, occurring during the 12 months prior to the date on which the entry into the Transactions was agreed, that have not yet been approved by the shareholders' meeting.] Therefore, as the highest calculated transaction size is equal to or greater than 25.00 percent, the Transaction is regarded as a material transaction under the special case requiring approval from the shareholders' meeting, as a result of which the Company is required to comply with the Material Transactions Notification. Details of the calculation of the transaction size are set out in Clause 7. Therefore, the Company is required to comply with the Connected Transactions Notification and the Material Transactions Notification as follows:

1) Disclose the information memorandum regarding the entry into the Transaction to the Stock Exchange of Thailand in accordance with the prescribed rules;
2) Appoint an independent financial advisor ("**Independent Financial Advisor**" or the "**IFA**"), being a financial advisor on the list approved by the Securities and Exchange Commission (the "**SEC**"), to prepare an opinion of the independent financial advisor to support the shareholders' decision-making at the shareholders' meeting;
3) Deliver the notice of the shareholders' meeting, together with the supporting documents for the meeting and the report on the opinion of the Independent Financial Advisor, to shareholders not less than 14 days prior to the date of the shareholders' meeting; and
4) Convene a shareholders' meeting to consider and approve the entry into the Transaction, requiring a vote of not less than three-fourths of the total votes of the shareholders attending the meeting and entitled to vote, excluding the votes of interested shareholders, and, in the case where the Independent Financial Advisor or the Audit Committee is of the opinion that the Transaction should not be entered into, there must be no shareholders holding shares and entitled to vote casting votes against the Transaction of 10 percent or more of the total votes of the shareholders attending the meeting and entitled to vote, in order for the Company to be able to enter into the Transaction.

In this regard, the Company has appointed Jay Capital Advisory Limited as the Company's Independent Financial Advisor to prepare an opinion on the reasonableness of the Transaction, the risks or impacts, and the appropriateness of the price and conditions of the Transaction, for the benefit of the shareholders' proper consideration and voting at the shareholders' meeting. The details of the Transaction are as follows:

1. Background of the Transaction

On 24 December 2025, HKGDT, a wholly-owned subsidiary in which GD holds 100.00 percent of the shares, entered into a share purchase agreement with CTJ Holdings2, Ltd. (the "**Seller**"), the then major shareholder of the Company, to purchase 20,280,280 ordinary shares of the Company, representing 42.25 percent of the total paid-up and voting shares of the Company, at a price of THB 18.00 per share (the "**Share Purchase Agreement**").

At that time, the Company had revolving credit facilities and loans with Sumitomo Mitsui Banking Corporation ("**SMBC**") and Mizuho Bank, Ltd. ("**Mizuho**") (collectively, the "**Existing Financial Institutions**"). The Company's existing loan agreements with SMBC and Mizuho contained provisions regarding existing shareholders' shareholding and/or changes in major shareholders, and the said share transfer could therefore have entitled the Existing Financial Institutions to terminate the agreements and request repayment of all outstanding loans.

The Company accordingly needed to procure a new source of loan funding to support the repayment of the existing debt.

The procurement of a new source of loan funding to replace the existing loans is consistent with the provisions of the Share Purchase Agreement, which stipulate that the new financial institution shall be arranged by the purchaser. The relevant conditions precedent to the closing of the transaction required the Seller (i.e., CTJ Holdings2, Ltd.), the purchaser (i.e., HKGDT), the Company, and the new financial institution to reach a consensus in writing on the arrangement in connection with the repayment of the existing loans, and required the Company to enter into the new facility agreement and complete the necessary procedures. In addition, GD was required to obtain approval from the relevant competent authorities for the provision of the loan guarantee as required by the new financial institution. Following the closing of the transaction, the purchaser is obliged to procure that the Company repays all outstanding indebtedness owed to the Existing Financial Institutions within the period required or permitted by the Existing Financial Institutions and within the period necessary to prevent the occurrence of an event of default under the relevant loan agreements.

In this regard, on 15 July 2026, the Company entered into a credit facility agreement with BOCOM in a facility amount of CNY 240,000,000 (the "**BOCOM Facility Agreement**"), with a drawn amount of CNY 230,000,000 as at 30 September 2026, and repaid in full the outstanding loans owed to the Existing Financial Institutions on 6 August 2026.

In connection with its credit consideration, BOCOM agreed to provide financial support to the Company subject to the condition of a guarantee from GD, whereby GD has issued a Guarantee Letter to guarantee the Company's obligations under the new facility agreement, and will enter into a Definitive Guarantee Agreement with the new financial institution after completion of the share transfer. According to GD's written clarification, GD has obtained approval from the board of directors of GD for its entry into the Definitive Guarantee Agreement. In this regard, such approval was granted on the basis that the Company is required to establish a mechanism to protect GD's interests with a value equivalent to the risk exposure assumed by GD in its capacity as guarantor, in the form of a conditional assignment of rights of claim in the Company's trade accounts receivable (CAAR).

The Board of Directors' Meeting held on 24 July 2026 resolved to approve the said protection mechanism in principle, which did not constitute a final approval for the Company to enter into the definitive CAAR Agreement, as the final terms and conditions of the transaction were still under negotiation at that time. The entry into the Transaction remains subject to review by the Audit Committee, formal approval by the Board of Directors, and approval by the shareholders' meeting in accordance with applicable laws and regulations prior to the entry into the Transaction.

The sequence of relevant events is summarized as follows:

Date	Details
24 December 2025	HKGDT signed the Share Purchase Agreement with the Seller, which contained conditions precedent relating to the procurement of a new credit facility to repay the existing debt.
15 July 2026	The Company signed the BOCOM Facility Agreement in a facility amount of CNY 240,000,000, with GD acting as guarantor pursuant to a Guarantee Letter and Letter of Undertaking issued to BOCOM dated 17 July 2026.

Date	Details
24 July 2026	The Board of Directors' Meeting No. 2/2026 approved in principle the implementation of the said protection mechanism in the form of a conditional assignment of rights of claim in the Company's trade accounts receivable (CAAR) to GD, with the entry into the definitive CAAR Agreement remaining subject to review by the Audit Committee, formal approval by the Board of Directors, and approval by the shareholders' meeting in accordance with applicable laws and regulations prior to the entry into the Transactions.
27 July 2026	The share transfer under the Share Purchase Agreement was completed, and HKGDT became a major shareholder holding 42.25 percent of the total paid-up and voting shares of the Company.
5 August 2026	The Company drew down a loan of CNY 230,000,000 from BOCOM and applied it to repay the debt owed to both Existing Financial Institutions, with the repayment completed on 6 August 2026.
14 August – 17 September 2026	The offer period under the tender offer for all securities of the Company. Following the end of the offer period, HKGDT holds a total of 20,280,280 shares in the Company, representing 42.25 percent of the total paid-up and voting shares of the Company.
30 October 2026	Original deadline under the Letter of Undertaking for GD and BOCOM to enter into the Definitive Guarantee Agreement. The Company has been informed by GD that GD is negotiating with BOCOM to extend this deadline.
10 November 2026	The Board of Directors resolved to propose to the Extraordinary General Meeting of Shareholders No. 1/2026, to be held on 23 December 2026, the consideration and the approval of the entry into the material transaction and connected transaction, and approved the appointment of the Independent Financial Advisor.
23 December 2026	Extraordinary General Meeting of Shareholders No. 1/2026.
Within 31 December 2026 days after approval is obtained from the shareholders' meeting and the conditions are satisfied in full	The Company signs the CAAR Agreement, and GD enters into the Definitive Guarantee Agreement.

The Company is considering alternatives for procuring loan funding from other financial institutions. If the Company is able to procure a source of loan funding on terms more favorable to the Company, the Company may consider applying such loan towards repayment of its loan owed to BOCOM which is due on 30 July 2027, taking into account the relevant terms and conditions, costs and expenses, and, above all, the best interests of the Company. The Company is also in the process of obtaining the necessary consents from other financial institutions prior to the entry into this Transaction, in order to comply with the terms and conditions under the Company's other credit facility agreements.

Necessity and Rationale for Entering into the Transaction

The Company engages in the business of manufacturing and distributing seamless copper tubes and inner-grooved copper tubes (Inner-grooved Tube) for the air conditioning and refrigeration industry. The nature of this business requires working capital, as copper, the key raw material, is subject to price volatility. The Company therefore uses credit facilities from financial institutions as its principal source of working capital for its business operations. In this regard, as at 30 September 2026, the Company had total short-term loans from financial institutions of THB 1,562.83 million and trade accounts receivable of THB 1,529.02 million.

As, at that time, the Company's existing loan agreements with the Existing Financial Institutions contained conditions regarding existing shareholders' shareholding and/or changes in major shareholders, the change in the Company's major shareholder from CTJ Holdings2, Ltd. to HKGDT could therefore have entitled the Existing Financial Institutions to terminate the agreements and request repayment of all outstanding loans. In addition, applying the Company's existing working capital to repay the entire existing loans with an aggregate outstanding amount of approximately THB 1,135.00 million in a single instance could affect the Company's liquidity and business continuity. The Company accordingly needed to procure a replacement source of loan funding to support the repayment of the existing debt within the required timeframe, in order to prevent the occurrence of an event of default under the existing credit facility agreements and to maintain the Company's liquidity and business continuity.

During that period, the purchaser considered sources of loan funding from several financial institutions, and BOCOM was the financial institution that agreed to provide a credit facility sufficient to meet the Company's funding requirements within the required timeframe, enabling the Company to procure the credit facilities it required in full within the limited timeframe, at an interest rate of 2.50 percent per annum with a loan tenor of approximately 12 months, compared with the interest rates of the Existing Financial Institutions of 1.58 – 3.00 percent per annum which were repayable on demand; at present, the Existing Financial Institutions have cancelled such credit facilities.

In connection with its credit consideration, BOCOM agreed to provide financial support to the Company on the condition that GD act as guarantor of the Company's obligations under the BOCOM Facility Agreement. Accordingly, GD imposed, as a condition for its entry into the Definitive Guarantee Agreement, the requirement that the Company implements the said protection mechanism in the form of a conditional assignment of rights of claim in the Company's trade accounts receivable (CAAR) to GD. The assignment will take effect upon the occurrence of an event of default as specified in the CAAR Agreement and GD's delivery of a notice of assignment of the rights of claim to the Company. Prior to the assignment of the rights of claim taking effect, the Company retains the right to collect and receive payment from its trade debtors and to apply the amounts received in its ordinary business operations.

In addition, the Company is considering alternatives for procuring loan funding from other financial institutions. If the Company is able to procure a source of loan funding on terms more favorable to the Company, the Company may consider applying such loan towards repayment of its loan owed to BOCOM which is due on 30 July 2027, taking into account the relevant terms and conditions, costs and expenses, and, above all, the best interests of the Company.

2. Date of the Transaction

The Company expects to enter into the CAAR Agreement with GD, and GD is expected to enter into the Definitive Guarantee Agreement with BOCOM, by [31 December 2026], after approval is obtained from the shareholders' meeting by a vote of not less than three-fourths of the total votes of the shareholders attending the meeting and entitled to vote, excluding the votes of interested shareholders, and provided that no shareholders attending the meeting and entitled to vote cast votes against the entry into the connected transaction of 10.00 percent or more of the total votes of the shareholders attending the meeting and entitled to vote, in the case where the Independent Financial Advisor or the Audit Committee is of the opinion that the Transaction should not be entered into.

The BOCOM Facility Agreement was signed on 15 July 2026, and the Company drew down the loan facility on 5 August 2026. As at the date of this information memorandum, the Company has not signed, entered into, or performed any definitive agreement relating to the CAAR Agreement, and the Company will sign the CAAR Agreement only after approval is obtained from the Extraordinary General Meeting of Shareholders.

3. Parties to the Agreements and the Relevant Relationship

Item	Details
Guarantor and conditional assignee of the rights of claim	Golden Dragon Precise Copper Tube Group Inc. ("**GD**")
Recipient of the guarantee and conditional assignor of the rights of claim	Fine Metal Technologies Public Company Limited (the "**Company**")
Lending financial institution and beneficiary of the guarantee agreement (Creditor)	Bank of Communications Co., Ltd. Chongqing Branch ("**BOCOM**"), which is not a connected person of the Company or GD
Relationship	GD is a connected person of the Company, with the following details of the relationship: 1) GD holds 100.00 percent of the shares in HKGDT, which is a major shareholder of the Company, holding 20,280,280 shares, representing 42.25 percent of the total paid-up and voting shares of the Company as at 27 July 2026. GD is therefore an indirect major shareholder and controlling person of the Company; and 2) The Company and GD have a common director, namely Mrs. Xiqian Song, who serves as Director and Managing Director of the Company and as a director and audit committee member of GD.
Ultimate controlling person of GD	GD is a joint stock limited company (Joint Stock Limited Company) incorporated in the People's Republic of China, with paid-up capital of CNY 581.68 million as at 31 July 2026. Its major shareholder is Chongqing Wanzhou Economic and Technological Development (Group) Co., Ltd. ("**CWETDG**"), holding 95.74 percent. CWETDG is a state-owned enterprise under the supervision of the Chongqing Wanzhou State-owned Assets Supervision and Administration

Item	Details
	Commission (Wanzhou SASAC). Accordingly, GD has the status of a state-owned enterprise of the People's Republic of China.

4. General Characteristics of the Transaction

The entry into the Transaction is the conditional assignment of rights of claim in the Company's trade accounts receivable to GD under the CAAR Agreement as security for the Company's obligations to GD arising from GD's guarantee, with no guarantee fee, of the Company's loan owned to BOCOM, with the following details:

The Provision of Security to GD by way of the Conditional Assignment of Rights of Claim in the Company's Trade Accounts Receivable (CAAR)

The Company will enter into the CAAR Agreement with GD to conditionally assign the rights of claim in the Company's trade accounts receivable to GD in its capacity as guarantor of the Company's loan owed to BOCOM. The assignment of the rights of claim will take effect upon the occurrence of an event of default as specified in the CAAR Agreement and GD's delivery of a notice of assignment of the rights of claim to the Company. Prior to the assignment of the rights of claim taking effect, the Company retains the right to collect and receive payment from its trade debtors and to apply the amounts received in its ordinary business operations, subject to the terms of the CAAR Agreement. The key terms are summarized as follows:

Item	Details
Assignor of the rights of claim (security provider)	The Company
Assignee of the rights of claim (security recipient)	GD
Debt obligations covered by the security	The Company's obligations to GD in connection with the Company's debt under the BOCOM Facility Agreement dated 15 July 2026, in a facility amount of CNY 240.00 million, the purpose of which is to repay the existing loans owed to SMBC and Mizuho. As at 30 September 2026, the Company had outstanding loans owed to BOCOM of CNY 230.00 million.
Amount of the guarantee obligation (Guaranteed Amount)	The amount of the guarantee liability that GD is actually demanded by BOCOM to pay and has actually paid or otherwise borne under the guarantee contract, in connection with the principal, the corresponding interest, compound interest, penalty interest, liquidated damages, expenses incurred in realizing the claims, and any other fees payable by the Company to BOCOM.
Scope of the rights of claim in the trade accounts receivable conditionally assigned	The Company's current and future rights to receive payment against the debtors based on the commercial contracts, as specified in the checklist of trade accounts receivable (Checklist of ARs) that the Company is required to prepare, excluding rights to receive payment from trade accounts receivable that have been assigned or that are subject to financing arrangements with financial institutions in the ordinary course of business prior to signing, and receivables that will subsequently be used in financing of such nature, subject to compliance with the conditions on maintaining

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	the value of the receivables and on using receivables in other financing.
Value of trade accounts receivable required to be maintained	As at the signing date, the trade accounts receivable specified in the Initial Checklist of ARs, the rights of claim in respect of which can be assigned without the debtors' consent and are free of other restrictions, must have a total book value of not less than the aggregate outstanding principal amount of the loan drawn down by the Company under the BOCOM Facility Agreement, together with any interest accrued and unpaid thereon (the "**Outstanding Loan Amount**"). Throughout the term of the agreement, for so long as the guarantee contract remains in effect, the Company must maintain trade accounts receivable available for assignment with an aggregate balance of not less than the Outstanding Loan Amount at all times, subject to the conditions on managing and compensating shortfalls under the agreement.
Actions when the value of the receivables falls below the required level	The Company must notify GD in writing, propose a plan to manage the shortfall, and consult with GD in good faith. The plan may consist of adding eligible trade accounts receivable and/or proposing to use cash or proceeds from the sale of inventory to compensate the shortfall at the time GD exercises its right to receive the assignment of the rights of claim for payment from the trade accounts receivable, the aggregate amount of such rights of claim available for assignment is less than the Guaranteed Amount. In this regard, the occurrence of a shortfall below the level required to be maintained will not constitute a breach of the agreement, provided that the Company performs in full its obligations to notify, propose a plan, and consult with GD as required.
Conditions for the assignment of the rights of claim to take effect	The assignment of the rights of claim will take effect upon the occurrence of an event of default under the CAAR Agreement and GD's delivery of a notice of assignment of the rights of claim (Assignment Notice) to the Company, whereupon the rights of claim in the trade accounts receivable in the Checklist of ARs that remain outstanding as at the date of delivery of such notice will be assigned to GD automatically, unconditionally and irrevocably as between the Company and GD from such date.
Events of default under the CAAR Agreement	The events of default under the agreement cover any one of the following cases: (1) Claim under the guarantee contract: any event or circumstance occurs pursuant to which BOCOM demands payment from, claims against, or enforces any guarantee liability against GD under the guarantee contract, including but not limited to the case where the Company fails to pay its debts in full when due; (2) Bankruptcy or liquidation: the Company undergoes bankruptcy, liquidation, or becomes insolvent; (3) Events concerning core assets: the core assets of the Company are seized or detained, or suffer other material adverse changes

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	that may severely affect the performance of obligations under the agreement, in which case GD must give written notice of the event and the facts, and the Company shall have 30 days from receipt of the notice to remedy or address such event; an event of default will be deemed to have occurred only if the event has not been remedied or addressed upon the expiry of such period. A material adverse change does not include any changes resulting from fluctuations in the market price of copper or changes in applicable law or accounting standards. The remedy period and the exceptions apply only to case (3). (4) The Company commits a material breach of any representation, warranty, undertaking, or obligation under the CAAR Agreement and, if such breach is capable of remedy, fails to remedy it within 5 business days after receiving written notice from GD. However, any of the following circumstances shall constitute an immediate event of default without any cure period: (i) The Company assigns, transfers, encumbers, finances, waives, releases, compromises, or otherwise impairs any trade accounts receivable without obtaining GD's authorization where such authorization is required under the CAAR Agreement; or (ii) Any representation, warranty, statement, Monthly Report, Checklist of ARs, or other information provided by or on behalf of the Company under the CAAR Agreement is materially untrue, inaccurate, or misleading when made or provided.
Rights of GD upon an event of default	GD has the right to apply one or more remedies, namely: requiring the assignment of all or part of the rights of claim for payment from trade accounts receivable specified in the Checklist of ARs; requiring the Company to make up the shortfall between the Guaranteed Amount and the amounts actually collected by GD, by means of cash and proceeds from the sale of inventory in accordance with the conditions of the agreement; and applying other remedies permitted by the agreement or by law, including claiming compensation for actual losses and reasonable expenses directly incurred in connection with the collection or enforcement of the rights of claim for payment from trade accounts receivable assigned to GD, supported by reasonable evidence.
Restrictions relating to rights in the trade accounts receivable	Except for the use of receivables in financing permitted under the conditions of the agreement, the Company may not enter into any arrangement, dealing, or understanding with debtors or third parties to waive, release, compromise, discount, or otherwise impair any of its rights, titles, or interests in and to the trade accounts receivable, without the prior written consent of GD.
Use of trade accounts receivable in other financing	The Company may use its rights of claim for payment from trade accounts receivable in financing in the ordinary course of business

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	if the remaining receivables are not less than the Outstanding Loan Amount. The Company must notify GD in writing in advance, specifying the relevant trade accounts receivable and their aggregate book value. In this regard, neither GD's consent nor the provision of substitute rights of claim for payment from trade accounts receivable is required. However, if such financing would cause the remaining rights of claim for payment from trade accounts receivable to fall below the required level, the Company must notify GD, propose a shortfall management plan, consult with GD, and obtain GD's prior written consent before proceeding.
Notification of the assignment of the rights of claim to trade debtors	The Company must deliver the list of assigned receivables to GD and issue notices to the relevant debtors promptly, and in any event within three business days of receipt of the Assignment Notice, instructing the debtors to make payment into the account designated by GD and requesting written acknowledgement of receipt of the notice. If the Company fails to do so within the required period, or if GD has reasonable grounds to believe that delay in urgent circumstances may cause material damage, GD has the right to issue the notices itself. Where the assignment of rights to receive payment requires the relevant debtor's consent under the applicable commercial contract, the Company must notify GD and take commercially best efforts to obtain the debtor's consent, and must inform GD of the progress and the result.
Receipt of payments after the assignment of the rights of claim	After the assignment takes effect and the relevant debtors have received the notices or given written consent, as the case may be, GD has the right to directly collect and claim from the relevant debtors. If the Company receives payments from assigned debtors after the date on which the assignment takes effect, the Company must hold such amounts on behalf of GD, without commingling them with the Company's own funds, and remit them to GD promptly, and in any event within three business days of receipt. All expenses (including attorney's fees and litigation costs) and related tax costs arising from the collection from, or legal actions against, such debtors shall be borne by the Company.
Compensation of shortfalls with cash and proceeds from the sale of inventory	If the amounts actually received by GD from the assigned debtors are lower than the Guaranteed Amount, the Company must make up the shortfall by immediately paying the shortfall in cash upon receipt of a shortfall notice (Shortfall Notice). If the shortfall still cannot be made up, the Company must sell its inventory and apply the proceeds to pay the remaining shortfall, at no cost to GD. The sale must be carried out as soon as practicable and, in any event, within 30 days of receipt of the Shortfall Notice, or within such other timeframe as the parties may agree in writing. In addition, if, at the time GD exercises its right to receive the assignment of the rights of claim for payment from trade accounts receivable, the assignable rights to payment from trade accounts receivable are less than the

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	Guaranteed Amount, GD has the right to require the Company to immediately pay the shortfall in cash and, if the shortfall still cannot be made up, to require the Company to sell its inventory and pay the proceeds preferentially to GD, applying the same sale conditions and timeframe.
Return of the surplus	If the amounts actually received by GD from the assigned debtors exceed the Guaranteed Amount, GD must return or pay the surplus to the Company in a way as permitted under the applicable law. In the case where the Company has paid shortfall compensation because the receivables available for assignment at the time GD exercised its right to receive the assignment were lower than the Guaranteed Amount, such compensation shall be included, together with the amounts collected by GD from the assigned debtors, in the calculation of the surplus.
Reporting of trade accounts receivable information	The Company must submit the trade accounts receivable report for the preceding month, together with the updated Checklist of ARs, within the first eight business days of each month, in a fixed format designated by GD, signed jointly by two authorized directors and affixed with the Company's seal. The monthly report must disclose an overview of all trade accounts receivable falling within the agreed definition, while the Checklist of ARs must specify the receivables designated for conditional assignment. The Company must notify GD of any event concerning the receivables that may affect GD's exercise of its right to receive the assignment immediately, and in any case no later than 36 hours upon becoming aware of such event.
Confidentiality of trade accounts receivable information	Upon GD's reasonable request, the Company must allow GD and the financial advisors appointed by GD to inspect, review, and audit the financial records and underlying documents relating to the trade accounts receivable for the purposes of the agreement. GD and such advisors are subject to confidentiality obligations, including signing a confidentiality undertaking in a form reasonably satisfactory to the Company, and the Company must use its commercially reasonable efforts to cooperate.
Effectiveness and termination of the agreement	The agreement takes effect upon signing by the authorized representatives of the parties, and will terminate due to the following reasons: (1) the parties mutually agree; (2) the Company has fully performed all its payment and compensation obligations to GD under the agreement; or (3) the Company has paid its debt obligations under the BOCOM Facility Agreement in full, or such debt obligations have otherwise been fully satisfied, or BOCOM has fully discharged the debt, provided that, in case (3), GD, as guarantor, has not have been requested by BOCOM to assume any liability under the relevant guarantee contract. The parties must promptly execute a written termination agreement to evidence the termination of the agreement. However, the effectiveness of

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	termination under item (3) above shall not depend on the execution of such written termination agreement, provided that documentary evidence confirming that all conditions under item (3) have been fully satisfied.
Governing law and dispute resolution	The agreement is governed by Thai law, and disputes shall be settled by arbitration administered by the Hong Kong International Arbitration Centre ("**HKIAC**") under its rules in effect at the relevant time.

5. Details of the Assets Provided as Security

The assets procured by the Company as security to GD under the CAAR Agreement are the rights of claim in the Company's trade accounts receivable specified in the checklist of trade accounts receivable (Checklist of ARs). The Company is obliged to procure and maintain a total book value of trade accounts receivable that can be assigned without the debtors' consent and that are free of other restrictions of not less than the outstanding principal drawn down by the Company under the BOCOM Facility Agreement, together with any interest accrued and unpaid thereon, throughout the period during which the guarantee contract remains in effect.

As at 30 September 2026, the Company had total trade accounts receivable, net, of THB 1,529.02 million, representing 40.31 percent of total assets, with the following details:

Item (THB million)	31 December 2024	31 December 2025	30 September 2026
Trade accounts receivable	1,390.05	1,230.94	1,529.02
Less Allowance for expected credit losses	-	-	-
Trade accounts receivable – net	**1,390.05**	**1,230.94**	**1,529.02**
Proportion of total assets (percent)	45.22	40.82	40.31
Average collection period (days)	58.94	69.40	81.94

The Company's trade accounts receivable as at 30 September 2026 that can be assigned without the debtors' consent and that are free of other restrictions amounted to THB 1,529.02 million.

6. Total Value of the Transaction and Basis Used in Determining the Total Value of the Transaction

The entry into the Transaction is the Provision of Security to GD by way of a conditional assignment of rights of claim in the Company's trade accounts receivable under the CAAR Agreement.

The value used in calculating the transaction size is THB 1,191.82 million, determined based on the drawn amount of CNY 230,000,000 as at 30 September 2026, and the full contractual interest of CNY 5,734,027.78, applying an exchange rate of THB 5.0558 per CNY as at 30 September 2026.

In addition, the Company may incur penalty interest, damages, and expenses incurred in realizing claims in accordance with the conditions of the relevant agreements, which depend on future events and cannot be quantified as at the date of this information memorandum. The calculation of the transaction size above has taken such obligations into consideration based on the Company's consolidated financial statements for the

period ended 30 September 2026 and the relevant supporting documents. In this regard, the scope of the Company's obligations is as described in Clause 4.

7. Calculation of the Transaction Size

Material Transaction

The Provision of Security to GD by way of a conditional assignment of rights of claim in the Company's trade accounts receivable is subject to the following calculation of the transaction size under the Material Transactions Notification, based on the Company's consolidated financial statements for the period ended 30 September 2026, which have been reviewed by the certified public accountant:

Calculation of the Size of the Material Transaction

Criterion		Disposal of Assets
Net asset value	=	Cannot be calculated
Net operating profit	=	Cannot be calculated
Total value of consideration	=	Value of consideration x 100 / Total assets of the Company 1,191.82 THB million x 100 / 3,793.59 THB million
		31.42 percent
Value of equity shares issued as consideration for the assets	=	Cannot be calculated

The transaction has the highest transaction size of 31.42 percent based on the total value of consideration criterion (based on the Company's consolidated financial statements reviewed by the certified public accountant for the period ended 30 September 2026). The Company has no material transactions that are related to one another or that fall under the same project, occurring during the 12 months prior to the date on which the entry into the Transaction was agreed, that have not yet been approved by the shareholders' meeting.

Connected Transactions

The the Provision of Security to GD is a transaction with a connected person of the Company in the category of provision of financial assistance to a connected person which is a juristic person in which the Company is not a shareholder, pursuant to Clause 8 of the Connected Transactions Notification. The calculation of the transaction size under the Connected Transactions Notification is as follows:

Calculation of the Size of the Connected Transactions

Item	Value
Value of consideration	THB 1,191.82 million
Net asset value of the Company (NA)	THB 1,418.75 million
Transaction size (percent)	**84.01**

In accordance with the details above, the total transaction value is THB 1,191.82 million, representing 84.01 percent of the net asset value of the Company (based on the Company's consolidated financial statements reviewed by the certified public accountant for the period ended 30 September 2026). The Company [has no connected transactions with the same group of connected persons that occurred during the six months prior to the date on which the entry into the Transaction was agreed and that have not yet been approved by the shareholders' meeting].

8. Source of Funds Used in the Transaction and Financial Impact

The Company has no obligation to pay any guarantee fee to GD, and the entry into the CAAR Agreement does not give rise to any additional loan drawdown. The Company remains obliged to pay principal and interest under the BOCOM Facility Agreement, which has been drawn down to repay the debt owed to the Existing Financial Institutions.

However, the Company has an obligation to maintain trade receivables that meet the eligibility criteria specified in the CAAR Agreement. If an event of default occurs under the CAAR Agreement and GD delivers a notice of assignment of the rights of claim (Assignment Notice) to the Company, the rights of claim in the trade accounts receivable in the Checklist of ARs that remain outstanding as at the date of delivery of such notice will be assigned to GD automatically. If the value of the trade accounts receivable available for assignment or the amounts actually received by GD from the collection of such receivables is insufficient to discharge the guarantee obligation, the Company may be obliged to pay cash to compensate the shortfall, as well as to apply proceeds from the sale of inventory towards payment to GD in accordance with the conditions of the agreement. In addition, the loan obligation denominated in CNY exposes the Company to risk from exchange rate fluctuations.

9. Summary of the Material Terms of the Relevant Material Agreement

A summary of the material terms of the relevant agreements is set out in Clause 4.

10. Expected Benefits from the Transaction

1) Enabling the Company to repay its existing loans and maintain continuity of funding sources: GD's guarantee is a key condition of the BOCOM facility, under which the Company has drawn down loans to repay in full its outstanding loans owed to the Existing Financial Institutions following the change in its major shareholder. According to GD's written clarification, BOCOM's credit consideration was based on GD's creditworthiness and was subject to the condition that GD act as guarantor, rather than relying solely on the Company's creditworthiness. In this regard, if the shareholders' meeting resolves not to approve the Transaction, GD may request other forms of risk protection measures, or BOCOM may require the Company to provide additional security under the BOCOM Facility Agreement. In such case, the Company, GD and BOCOM will negotiate in good faith to agree on mutually acceptable measures. However, if the relevant parties are unable to reach an agreement through such negotiations, there remains a risk that BOCOM may exercise its contractual rights to demand early repayment of the outstanding debt from the Company. Therefore, entering into the CAAR Agreement, which serves as a mechanism to protect GD's interests in connection with such guarantee, helps maintain the stability of the Company's funding sources and working capital.
2) The Company has no obligation to pay any guarantree fee: GD does not charge the Company any guarantee fee for guaranteeing the BOCOM facility.
3) The Company can continue its business operations and manage its trade accounts receivable in the ordinary course of business: The assignment of rights of claim under the CAAR Agreement is conditional and will take effect only upon the occurrence of an event of default under the CAAR Agreement and GD's delivery of an Assignment Notice. Before the assignment takes effect, the Company may continue to collect and receive payments from its trade debtors in the ordinary course of business. In addition, trade accounts receivable that have been assigned or are subject to ordinary-course financing

arrangements (such as factoring) prior to the signing date are excluded from the scope of the CAAR Agreement. The Company may also use its trade accounts receivable for additional financing, provided that the remaining trade accounts receivable have a value of not less than the Outstanding Loan Amount and the Company has given prior notice to GD, subject to the terms and conditions of the CAAR Agreement.

4) The security obligations are limited in scope and may terminate upon full repayment of the BOCOM facility: The obligation to maintain the value of trade accounts receivable is linked to the Outstanding Loan Amount under the BOCOM Facility Agreement and does not extend to all of the Company's trade accounts receivable. The CAAR Agreement may terminate once the Company has fully repaid its debt obligations under the BOCOM Facility Agreement, provided that GD has not been called upon to make payment under the guarantee. This allows the Company to terminate such security obligations if it is able to obtain replacement funding on appropriate terms. In this regard, the Company and GD are currently in discussions with other financial institutions.

11. Business Operation Plans Relating to the Transaction

11.1 Business Policies and Plans and Timeframe

The entry into the Transaction constitutes the establishment of a mechanism to protect GD's interests in connection with its guarantee of the BOCOM facility, under which the Company has drawn down loans to repay in full its outstanding loans owed to the Existing Financial Institutions. The entry into the Transaction does not change the Company's principal business policies or the nature of its core business operations. The Company will continue to manufacture and distribute copper tubes and to collect and receive payments from its trade debtors in the ordinary course of business until the assignment of rights of claim under the CAAR Agreement takes effect. The indicative timeframe is as follows:

1) 10 November 2026: The Board of Directors considers and resolves to propose the Transaction to the Extraordinary General Meeting of Shareholders for consideration and approval.
2) 23 December 2026: The Extraordinary General Meeting of Shareholders No. 1/2026 to consider and approve the entry into the Transaction.
3) After obtaining approval from the shareholders' meeting and satisfying all relevant conditions: The Company enters into the CAAR Agreement with GD, and GD enters into the Definitive Guarantee Agreement with BOCOM.
4) During the term of the BOCOM Facility Agreement: The Company continues to consider obtaining replacement funding on appropriate terms and in the best interests of the Company. If the Company is able to obtain funding on terms more favorable to the Company, it may consider using such proceeds to repay its outstanding debt owed to BOCOM, subject to the terms and conditions of the BOCOM Facility Agreement. In this regard, the CAAR Agreement may terminate once the Company has fully repaid its obligations under the BOCOM Facility Agreement, provided that GD has not been called upon to make payment under the guarantee.

11.2 Market Conditions, Competition, and Business Opportunities

The Company's business is linked to demand in the air conditioning and refrigeration industry, with copper prices, exchange rates, and competition being the key factors. The entry into the Transaction is aimed at supporting the continuity of funding sources for the existing business operations and is not an investment to expand into new businesses.

11.3 Risk Factors That May Prevent Implementation as Planned

The risks or events that may prevent the implementation of the plan as intended include the following:

1) GD and BOCOM may not be able to reach an agreement on the extension of the deadline for entering into the Definitive Guarantee Agreement. In such case, BOCOM may exercise its contractual rights to (a) require the Company to provide additional security and, if the Company is unable to provide other security acceptable to BOCOM, this may give rise to a risk of non-compliance with conditions of the BOCOM Facility Agreement and, in a worst-case scenario, BOCOM may exercise its contractual right to demand early repayment of the debt; or (b) require GD to repay the debt on behalf of the Company pursuant to the Letter of Undertaking dated 17 July 2026 signed by GD. In this regard, the Company has been informed by GD that GD is in the process of negotiating with BOCOM to extend the deadline for entering into the Definitive Guarantee Agreement, which was originally set for 30 October 2026.
2) The Company may not obtain the necessary consents or waivers under its existing credit facility agreements with other financial institutions to enter into the CAAR Agreement, including those relating to negative pledge provisions. The Company is currently awaiting the decisions of the relevant financial institutions regarding such consents or waivers. In this regard, if the necessary consents or waivers are not obtained, the Company may be unable to enter into the CAAR Agreement, or entering into such agreement may constitute a breach of the terms and conditions of the relevant credit facility agreements.
3) Following the entry into the Transaction, if an event of default occurs under the CAAR Agreement and the assignment of rights of claim takes effect, the Company will be required to remit to GD the amounts received from the assigned trade debtors and may be required to compensate for any shortfall in cash or from the proceeds of the sale of inventory, which may adversely affect the Company's liquidity and working capital.

11.4 Contingency Plans in the Event the Transaction Cannot Be Completed and the Impact Thereof

If the Company is unable to complete the Transaction, it may consider obtaining loan funding from other financial institutions to repay its debt owed to BOCOM. At present, the Company is considering alternative funding sources on appropriate terms and in the best interests of the Company. However, if the Company is unable to obtain replacement funding in time and BOCOM demands early repayment of the loan, the Company may need to use its working capital to repay the debt, which may affect the Company's liquidity. In addition, obtaining replacement funding may result in higher financing costs or additional security obligations for the Company.

12. Interested Directors and Shareholders

12.1 Directors Having an Interest in the Transaction

The directors with interests in the Transaction, namely Mrs. Xiqian Song, Mr. Junichi Ishihara, Mr. Hideki Takayasu and Mr. Hiroshige Nose, did not attend the meeting to consider, and did not cast votes on, the agenda item concerning the Transactions at the Board of Directors' Meeting No. 4/2026 held on 10 November 2026.

12.2 Shareholders Having an Interest in the Transaction

HKGDT, a related person of GD and a wholly-owned subsidiary of GD, is not entitled to vote on the agenda item concerning the approval of the Transaction. In this regard, the Company will specify the names, numbers of shares, and shareholding proportions of the interested shareholders as at the Record Date for determining the shareholders entitled to attend the shareholders' meeting in the notice of the shareholders' meeting.

13. Opinion of the Board of Directors

The Board of Directors, with the interested directors neither attending the meeting to consider nor casting votes on the agenda item concerning the Transaction, has considered the rationale, necessity, benefits, and risks of the Transaction to the Company and its minority shareholders and is of the following opinion:

The Company needed to procure a new source of loan funding to prevent an event of default under its existing loan agreements and maintain sufficient working capital for its business operations. GD's guarantee enabled the Company to obtain the loan under the BOCOM Facility Agreement to repay its debt owed to the Existing Financial Institutions following the change in its major shareholder. According to GD's written clarification, BOCOM's credit consideration was based on GD's creditworthiness rather than relying solely on the Company's creditworthiness, with GD charging no guarantee fee. In addition, before the assignment of the rights of claim takes effect, the Company may continue to collect and receive payments from its trade debtors and conduct its business operations in the ordinary course.

Further to GD's guarantee described above, with respect to the Provision of Security under the CAAR Agreement, the Board of Directors has considered the obligation to maintain the value of the trade accounts receivable, the conditions for the assignment of the rights of claim, the obligation to pay shortfall compensation, and the potential impact on the Company's liquidity and business operations, and is of the view that such conditions are appropriate when considered together with the benefits derived from the receipt of the guarantee. The assignment of the rights of claim will take effect upon the occurrence of an event of default under the CAAR Agreement and GD's delivery of a notice of assignment of the rights of claim to the Company, and the Company must comply with the conditions of the agreement and the relevant measures for preventing conflicts of interest. In addition, the security obligations are linked to the Outstanding Loan Amount under the BOCOM Facility Agreement, and the CAAR Agreement will terminate once the Company has fully repaid its debt obligations under the BOCOM Facility Agreement, provided that GD has not been called upon to make payment under the guarantee.

Furthermore, the Company continues to consider obtaining alternative funding sources on appropriate terms and in the best interests of the Company and its shareholders, taking into account financing costs, relevant terms and conditions, and security obligations. The Company may consider using such funding to repay its debt owed to BOCOM, subject to the terms and conditions of the BOCOM Facility Agreement. Once the debt has been fully repaid, the CAAR Agreement may terminate, provided that GD has not been called upon to make payment under the guarantee.

The Board of Directors therefore resolved propose to the Extraordinary General Meeting of Shareholders No. 1/2026, to be held on 23 December 2026, for consideration and approval of the entry into the Transaction. In this regard, the Company will deliver the Independent Financial Advisor's opinion report together with the notice of the shareholders' meeting for the shareholders' consideration.

14. Opinion of the Audit Committee

The Audit Committee has considered the rationale, necessity, conditions, benefits, and risks of the Transaction, and is of the opinion that the entry into the Transaction is reasonable and beneficial to the Company, with no opinion differing from that of the Board of Directors.

Yours sincerely,

(Mrs. Xiqian Song and Mr. Junichi Ishihara)

Director

Corporate Secretary Department, Tel. 036-329811-20 Ext. 201